

Filed for intro on 02/03/2000
SENATE BILL 3254 By
Wilder

HOUSE BILL 3264
By Walley

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 58, Part 1; Title 9, Chapter 4, Part 53 and Title 67, Chapter 5, relative to certain localities deemed by the state to be municipalities for certain purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 6-58-104, is amended by adding the following language as a new, appropriately designated subsection:

(_) Notwithstanding the provisions of this chapter or any other law to the contrary,

IF, after July 1, 1998, a locality is deemed by the state of Tennessee to be a municipality for purposes of distributing grants or state-shared taxes; **AND**

IF thereafter the state ascertains that such locality no longer qualifies as a municipality for such purposes due to abolition, forfeiture, or termination of the municipal charter or due to judicial determination that the locality was not incorporated in accordance with the requirements of law and, therefore, is not a municipality; **THEN**

Such locality shall automatically become a planned growth area within the countywide growth plan. The designation of such locality as a planned growth area may be subsequently amended, in whole or in part, but only in accordance with the

requirements and procedures imposed by the provisions of § 6-58-104(d)(1) for other proposed amendments to the county's twenty (20) year growth plan.

SECTION 2. Tennessee Code Annotated, Title 9, Chapter 4, Part 53, is amended by adding the following language as a new, appropriately designated section:

Notwithstanding the provisions of any law to the contrary,

IF, after July 1, 1998, a locality is deemed by the state of Tennessee to be a municipality for purposes of distributing grants or state-shared taxes; **AND**

IF thereafter the state ascertains that such locality no longer qualifies as a municipality for such purposes due to abolition, forfeiture, or termination of the municipal charter or due to judicial determination that the locality was not incorporated in accordance with the requirements of law and, therefore, is not a municipality; **AND**

IF thereafter the comptroller of the treasury and the commissioner of finance and administration find that the locality obligated or expended all or a portion of its grants or state-shared taxes acting in good faith, under color of law, and for municipal purposes;

THEN

Neither the locality nor any person who acted on behalf of the locality is required to return or repay the grants or state-shared taxes found to have been obligated or expended in good faith, under color of law, and for municipal purposes.

SECTION 3. Tennessee Code Annotated, Title 67, Chapter 5, is amended by adding the following language as a new, appropriately designated section:

Notwithstanding the provisions of any law to the contrary,

IF, after July 1, 1998, a locality is deemed by the state of Tennessee to be a municipality for purposes of distributing grants or state-shared taxes; **AND**

IF thereafter the locality, acting in good faith and under color of law and for municipal purposes, collects and obligates or expends municipal property taxes; **AND**

IF thereafter it is judicially determined that the locality was not incorporated in accordance with the requirements of law and, therefore, is not a municipality; **THEN**

Neither the locality nor any person who acted on behalf of the locality is required to return or repay the municipal property tax revenues that were obligated or expended in good faith, under color of law, and for municipal purposes.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.